



energy fuels nuclear, inc.

executive offices • suite 900 • three park central • 1515 arapahoe • denver, colorado 80202 • (303) 623-8317

ACT/037/045

October 15, 1979

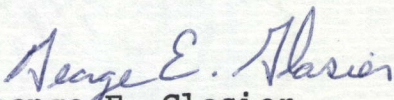
Ms. Denise Dragoo  
Division of Oil, Gas & Mining  
State of Utah  
1588 West North Temple  
Salt Lake City, UT 84116

Dear Ms. Dragoo:

Enclosed is the fully executed Surety Agreement between Energy Fuels Nuclear, Inc., Energy Fuels, Ltd. and the Board of Oil, Gas and Mining of the State of Utah, with regards to the reclamation and decommissioning of the Energy Fuels' uranium mill south of Blanding, Utah.

Thank you for all of your help in concluding this Agreement.

Sincerely,

  
George E. Glasier

GEG/jm

Enclosure

cc: Clayton J. Parr, Esq.



## SURETY AGREEMENT

THIS AGREEMENT dated as of September 26, 1979 is between ENERGY FUELS NUCLEAR, INC., a Colorado corporation qualified to do business in Utah, (hereinafter called the "Operator"), ENERGY FUELS LIMITED, a Colorado limited partnership, (hereinafter called "Limited") and the BOARD OF OIL, GAS, and MINING, duly authorized and existing by virtue of the laws of the State of Utah (hereinafter called the "Board").

### RECITALS:

A. Operator is the operator of that certain uranium processing mill and associated tailings disposal area known as the White Mesa Mill situated approximately six miles south of the town of Blanding, San Juan County, Utah (hereinafter called the "Mill").

B. On August 7, 1979 the United States Nuclear Regulatory Commission authorized construction and operation of the Mill through the issuance to Operator of Source Material License SUA-1358 (hereinafter called the "License").

C. Paragraphs 27 and 29 of the License require that Operator provide for stabilization and reclamation of the mill site and tailings disposal areas and mill decommissioning and that surety arrangements be made with the Division of Oil, Gas and Mining to ensure completion of mill site and tailings area stabilization, reclamation and decommissioning prior to the initiation of mill operation.

D. Paragraph 29 of the License requires that Operator submit to the Nuclear Regulatory Commission a copy of the surety arrangements with the Division of Oil, Gas and Mining covering mill decommissioning and mill site and tailings area reclamation.

E. Operator has adopted and will implement plans for decommissioning the mill and reclaiming the mill site and tailings disposal areas.

F. Limited is the owner of the Mill and of certain uranium mineral properties and uranium mines in the State of Utah being operated by Operator.

G. The Board has reviewed and considered factual information and recommendations provided by the staff of the Division of Oil, Gas and Mining pertaining to Operator's decommissioning and reclamation plan and the projected costs thereof.



NOW, THEREFORE for and in consideration of the mutual covenants herein contained, the parties agree as follows:

1. Operator agrees to conduct and carry out decommissioning and reclamation activities at the Mill in accordance with conditions set forth in the License and any amendments or renewals thereof.

2. If Operator permanently ceases operations at the Mill and fails to complete decommissioning and reclamation of the mill site and tailings disposal within two years after the tailings area has reached sufficient dryness to allow such activities to commence, then Operator and/or Limited shall make payment to the Board of an amount equal to the estimated cost of completion of decommissioning and reclamation, as determined by the Board after notice and a hearing, and such sum shall be used by the Board to complete said decommissioning and reclamation activities in accordance with the requirements set forth in the License.

3. This Surety Agreement shall remain in effect until August 31, 1984, the initial expiration date of the License, and may be renewed or extended thereafter by the Board for the term of any renewal or extension of the License, and any successive renewals or extensions.

4. This Surety Agreement shall be binding on the parties hereto and their successors and assigns.

IN WITNESS WHEREOF, the parties have executed this instrument as of the day and year first above written.

ENERGY FUELS NUCLEAR, INC.

By Robert W. Adams  
Its Chairman of the Board and Chief  
Executive Officer

ENERGY FUELS LIMITED, by EF URANIUM  
GROUP, INC., General Partner

By Robert W. Adams  
Its Chairman of the Board and Chief  
Executive Officer

BOARD OF OIL, GAS AND MINING

By John L. Bell

STATE OF Colorado )  
city & ) ss.  
COUNTY OF Denver )

On the 1<sup>st</sup> day of October, 1979 personally appeared before me Robert W. Adams, who being by me duly sworn did say that he is the Chairman and Chief Executive Officer of ENERGY FUELS NUCLEAR, INC., and that said instrument was signed in behalf of said corporation by authority of its by-laws and said Robert W. Adams acknowledged to me that said corporation executed the same.

My Commission Expires:

July 21, 1981

Shelley G. Ratner  
NOTARY PUBLIC  
Residing at: Denver, Colorado

STATE OF Colorado )  
city & ) ss.  
COUNTY OF Denver )

On the 1<sup>st</sup> day of October, 1979 personally appeared before me ROBERT W. ADAMS, who, being by me duly sworn, did say that he is the Chairman of the Board and Chief Executive Officer of EF URANIUM GROUP, INC., General Partner of ENERGY FUELS LIMITED, a partnership, and that said instrument was signed in behalf of said partnership, and said ROBERT W. ADAMS acknowledged to me that said partnership executed the same.

My Commission Expires:

July 21, 1981

Shelley G. Ratner  
NOTARY PUBLIC  
Residing at: Denver, Colorado

THALIA R. BUSBY, Secretary of the BOARD OF OIL, GAS AND MINING of the State of Utah, hereby certifies that the foregoing Surety Agreement was approved by the Board on the 26 day of September, 1979 in Cause No. ACT/037/045.

Thalia R. Busby  
THALIA R. BUSBY



energy fuels nuclear, inc.

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March 11, 1983

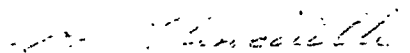
Mr. Tom N. Tetting  
Engineering Geologist  
Utah Division of Oil, Gas and Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

Dear Mr. Tetting:

Please correct your records to show that in the future your contact with Energy Fuels Corporation or Energy Fuels Nuclear, Inc. will be Harold R. Roberts, Senior Project Engineer, replacing C. E. Baker, Manager of Regulatory Compliance.

Your attention to this matter will be appreciated.

Sincerely yours,

  
M. D. Vincelette, Vice President  
Uranium & Mineral Operations

MDV/jf

xc: HRR, GWG